

My Statement Bureau of Reclamation Listening Session Regarding the Future of the Navajo Generation May 15, 2017

In the mid-60's, the Hopi Tribe was "hoodwinked" into entering into coal leases with the Sentry Royalty Company (predecessors to the Peabody Coal Company) by the federal government and John Boyden, attorney for the Hopi Tribe (and as it turned out, he was also attorney for the Peabody Coal Company). Since then, owners of the Navajo Generating Station (NGS) have profited significantly from the high quality, cheap coal supplied by the Hopi Tribe and Navajo Nation to the Peabody Coal Company for sale to NGS. While the metropolitan areas in southern Arizona, California and Nevada enjoyed the cheap electricity provided by NGS; and agriculture industry enjoyed water delivered from the Colorado River to their crops through a massive Central Arizona Project water delivery system powered by the electricity from NGS, our tribal reservations remain in poverty, some without the luxury of electricity and running water in their homes. Jobs are scarce or non-existent.

Millions of tons of Hopi and Navajo coal was sold to the Peabody Coal Company at below fair market value. Our precious groundwater was sold to Peabody Coal at embarrassing low per acre foot (afy) prices. Our lands and environment have been permanently damaged by Peabody Coal and NGS. Our pristine Navajo Aquifer groundwater was pumped heavily especially during the years coal was piped from the Black Mesa Mine to the Mohave Generating Station using a 275-mile slurry line. Many of our people suffered respiratory and other severe health problems from the pollution generated by NGS. Some even died. Regional haze affected the beauty and serenity of the Grand Canyon National Park and other regional national parks. But NGS owners objected strenuously to federal regulations (BART) aimed at reducing and eliminating the hazardous chemicals and other pollutants emitted by NGS.

Peabody Coal became the sole coal mining company to mine our coal, thanks to the monopoly created by the federal government. Our tribes became dependent on the measly amounts of coal royalties they receive for their annual operations. Peabody Coal filed for Chapter 11 bankruptcy

protection and NGS owners announced their plans to shut the plant down by 2019. But the Hopi tribal council is in denial. The do not understand the coal economy. They believe that by simply begging the NGS owners (and Peabody Coal) to continue operations, that operations will continue and revenues to the tribe will continue beyond 2019. The Hopi tribal council failed to provide for alternative sources of revenues to retain current services and protect tribal jobs despite being advised of the potential closure of NGS (and Peabody Coal). Many Hopi tribal members disagree with the Hopi tribal council. We prefer NGS to be shut down as a coal-fired plant. To allow NGS (and Peabody Coal) to continue operation beyond 2019 would only exacerbate the damage already perpetuated on our lands, our environment, and our people.

The impending closure of NGS now provides a great opportunity to transition away from a fossil fuel-based power generation station to the use of renewable energy (solar, wind, geothermal, etc.). Instead of delaying the inevitable closure of NGS (and Peabody Coal), work must begin immediately toward developing a viable alternative source of power generating station using the abundant tribal renewable energy resources such as wind and solar. Work can then begin by Peabody Coal and NGS, with the oversight of our federal trustee, the Office of Surface Mining, Reclamation and Enforcement (OSMRE), to repair and rehabilitate our lands damaged by mining operations.

We know that NGS is the economic engine that provides for economic sustainability to the Southwest (Arizona, Nevada and California). And because of the sacrifices made by the Hopi Tribe and Navajo Nation, every effort must be made to provide for joint ownership of the new power plant by the Hopi Tribe and Navajo Nation with the assistance of the federal government so that the tribal nations can finally enjoy the same economic benefits that NGS owners have enjoyed all these years. Jobs must be preserved for the Hopi and Navajo people under this new joint economic venture. Only then can we begin to realize economic and environmental justice owed to our tribal nations by the federal government, NGS and Peabody Coal Company. Federal assistance must be made available for the tribes to create the new tribal joint venture, complete with long term power guaranteed purchase agreements. In this regard, the Bureau of Reclamation (BOR) must issue its decision on the Renewable Energy and Tribal Energy Alternatives in the pending Navajo Generating Station – Kayenta Mine Complex (NGS-KMC) Project Environmental

Impact Statement (NGS-KMC EIS). However, if the NGS-KMC EIS has been suspended, then a new EIS is required.

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